

30 November 1961

STAT
TO:
FROM:
SUBJECT: TWX Communications
concerning computer

STAT Per request, relayed by STAT
I forward for your information one copy each of
Tad's TWXs of 11.29.61 and 11.30.61.

- END OF MEMO -

STAT cc:
PJD
PJD/Wash

Declass Review by NGA.

PYSLEDDDDFLFDDFDLD

AT

● TRYED TO USE UR U SERVICE BUT WAS TOLD IT IS OUT OF ORDER

DMJM LA

11-30-61

9 05 AM

AT

TO

FROM

● THIS IS FOLLOW-UP OF TWX FOR JOHN W. PLEASE DELIVER TO JOHN FIRST THING THURSDAY AM. ALSO DELIVERY COPY OF THIS AND YESTERDAYS TWX TO CHICK WITH NOTE THAT IT IS FROM P. J. D. TO HIM FOR HIS INFORMATION.

● RE YESTERDAYS TWX ABOUT GSA-RRU COMPUTER RENTAL CONTRACT, PLEASE AMEND OR ADD TO THAT TWX AS FOLLOWS-

● IF A COST-PLUS-FIXED-FEE RECOMMENDATION IS MADE TO GSA, STATE THAT AN ESTIMATE OF MAXIMUM DOLLARS WILL BE MADE FOR VARIOUS PHASES OF THE CONTRACT OR FOR PORTIONS OF THE STATEMENT OF WORK.

● CORRECT THE STATEMENT ABOUT NOT HANDLING A CONTRACT THROUGH GSA. IT SHOULD READ NOT HANDLING A CONTRACT THROUGH THE CONTRACT CURRENTLY IN EFFECT BETWEEN GSA AND RRU.

● IF A RECOMMENDATION IS MADE TO GSA THAT THEIR "BOILER PLATE" BE MODIFIED, THE RECOMMENDATION SHOULD BE MADE FOR THIS PURCHASE ONLY AND THAT THE AMENDMENTS THERETO, WILL NOT BE APPLIED TO OTHER SITUATIONS. IT WILL ALSO AVOID THE POSSIBILITY OF THEM STANDARDIZING THE AMENDMENTS FOR ALL OTHER FEDERAL AGENCIES.

● WITH REGARD TO TRAINING, IT SHOULD BE MENTIONED THAT RRU WILL HAVE TO BEGIN THE TRAINING OF YOUR PERSONNEL AS SOON AS POSSIBLE. THIS WILL NOT BE STANDARE COURSE.

● ON PARAGRAPH EIGHT, CHANGE THE WORDS SYSTEM IS SO UNIQUE TO SUFFICIENTLY UNIQUE.

● IN NEXT TO LAST PARAGRAPH CHANGE THE GSA CONTRACT NOW BE USED TO NOT BE USED.

● EMPHASIZED THE FACT THAT SYSTEM VERSATILITY IS MANDATORY. THIS IS THE KEYNOTE OF THE SYSTEM AND CAN UNQUESTIONABLY BE EXPECTED.

● END RR
● C MIN PLS WE R SENDING A COUPLE

V

AT

LA GA PLS AND CHARGES AFTER WARD

IN TWO PARTS DO NOT CUT ME OFF AFTER FIRST TAPE RUN

DEJL LA 11-29-61 1 55 PM
TO [REDACTED]
FROM [REDACTED]

PLEASE DELIVER FOLLOWING INFORMATION TO JOHN W. IMPORTANT THAT MESSAGE BE GIVEN TO HIM NO LATER THAN WEDNESDAY PM.

- RE MY SUGGESTION THAT COMPUTER RENTAL NOT BE HANDLED THROUGH GSA. I STRONGLY FEEL THAT HANDLING THIS PROGRAM THROUGH STANDARD FEDERAL SUPPLY CHANNELS WILL PREVENT US FROM GETTING THE SYSTEM INTO OPERATION BY THE END OF NEXT YEAR. IF AT ALL POSSIBLE, THE MOST EFFECTIVE APPROACH WOULD BE BY COST-PLUS-FIXED-FEE CONTRACT DIRECTLY WITH [REDACTED]
- IF GSA CHANNELS MUST BE USED BECAUSE OF THE OVERRIDING NATURE OF THE EXISTING GSA [REDACTED] CONTRACT, SUGGEST MODIFYING THE BASIC "BOILER PLATE" OF GSA TO MEET THE UNUSUAL AND MOST URGENT DEMANDS OF YOUR PROGRAM. MODIFICATION TO CONTRACT CAN USUALLY BE HANDLED BY AMENDMENT PROVIDED SUFFICIENT JUSTIFICATION IS PROVIDED TO WARRANT AN EXCEPTION. THE FOLLOWING MAY BE OF VALUE TO YOU IN PREPARING A JUSTIFICATION IF SUCH IS THE DESIRE

- AT PRESENT [REDACTED] HAS AN OPEN CONTRACT WITH THE U. S. GOVERNMENT FOR THE RENTAL OF UNIVAC ELP SYSTEMS. CONTRACT NUMBER IS [REDACTED] FOR THE PERIOD 1 JULY 1961 THROUGH 30 JUNE 1962. YOUR PROPOSED RENTAL WILL FALL UNDER THIS CONTRACT AND WILL BE SUBJECT TO THE TERMS AND CONDITIONS OF THAT CONTRACT UNLESS FORMAL ARRANGEMENTS ARE MADE TO THE CONTRARY.

- THE GSA CONTRACT IS A MACHINE-USE CONTRACT. ITS TERMS AND CONDITIONS REFLECT A FIXED PRICE OR TIME AND MATERIALS TYPE OF ARRANGEMENT. THIS MEANS THAT THE INTENDED USE OF THE GOVERNMENT AGENCY IN QUESTION MUST BE CLEAR AND KNOWN. THIS IS NOT AT ALL THE CASE IN YOUR PROGRAM. NOT ONLY ARE YOUR WORKER PROGRAMS NOT ESTABLISHED. THE BASIS FOR THESE PROGRAMS HAS NOT YET BEEN COMPLETELY ANALYSED. THE ANALYSIS WILL BE FAIRLY COMPLETE BY JUNE 1962 PROVIDED THE INFORMATION FOR THE ANALYSIS CAN BE MADE AVAILABLE. THE AVAILABILITY OF NECESSARY DATA BY THAT TIME IS HIGHLY QUESTIONABLE.

- THE GSA CONTRACT SPECIFIES THAT ENOUGH PROGRAMS FOR THE COMPUTER MUST BE READY TO GO BY THE TIME OF INSTALLATION FOR THE MACHINE TO BE PRODUCTIVE. IF MACHINE IS NOT ESTIMATED TO BE PRODUCTIVE, GOVERNMENT WILL NOT PERMIT MACHINE TO GO ON RENTAL. IN THE CASE OF YOUR PROGRAM IT IS NOT THE INTENT TO PRODUCE A HIGH PRODUCTION SYSTEM BY THE END OF 1962. VERY DOUBTFUL THAT 10 PER CENT OF ACTUAL MACHINE TIME WILL BE USED AT FIRST. HOWEVER, IT IS HOPED THAT 75 PER CENT OF THE PROBLEM WILL BE CORRECTED. WHEN MACHINE IS FIRST INSTALLED, THE INITIAL PERIOD WILL BE DEVOTED TO EXPERIMENTATION. THE ENTIRE SYSTEM WILL BE NEW TO THE USER INCLUDING THE SPECIAL INPUT EQUIPMENT. MOST IMPORTANT THAT THE USER BE ORIENTED SLOWLY AND CAUTIOUSLY. DURING THE EXPERIMENTAL PERIOD THE PRESENT COMPUTER WILL BE USED TO BACK UP THE SYSTEM. THERE WILL BE A GRADUAL CONVERSION TO THE NEW MACHINE AS USERS BEGIN TO ACCEPT IT AND LEARN HOW TO USE IT. THE ENTIRE SYSTEM WILL COLLAPSE UNLESS THIS CONVERSION IS GRADUAL.

BY THE GSA CONTRACT [REDACTED] HAS AUTHORIZED TEST TIME FOR ALGOL AND COFOL. FOR YOUR PROGRAM THE COMPILER PROBLEM IS CRITICAL. YOU WILL HAVE TO

- IN THE GSA CONTRACT MAINTENANCE OF CENTRAL SITE EQUIPMENT IS BY AN ON-CALL ARRANGEMENT. YOU WILL REQUIRE ON-SITE MAINTENANCE OF FULL TIME-FULLY CLEARED PERSONNEL. IT IS NOT NOW KNOWN WHETHER THIS MAINTENANCE WILL BE LIMITED TO CENTRAL SITE EQUIPMENT.

- THE GSA CONTRACT CALLS FOR REGULAR TRAINING COURSES. IN YOUR CASE TRAINING IS MUCH MORE THAN OPERATOR INSTRUCTION. THERE WILL BE EXTENSIVE AND PROBABLY SPECIALLY PREPARED ORIENTATION PROGRAMS FOR OPERATORS, USERS, AND MANAGERS. SYSTEM IS SO UNIQUE THAT STANDARD COURSES WILL NOT BE ADEQUATE.

- MOST IMPORTANT IS THE SECURE NATURE OF YOUR PROPOSED SYSTEM. PARTIAL PROGRAMS ARE SCHEDULED TO BE PRE-LOADED AND DEBUGGED IN ST. PAUL. GSA WILL WANT TO KNOW WHAT THESE PROGRAMS ARE OR AT LEAST THE EXTENT OF THE TEST SCHEDULE. WHEN THE PROGRAM IS LOADED

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WHEN THE PROGRAM IS LOADED, THERE IS NO WAY OF KNOWING WHAT WILL HAPPEN. IT IS ANTICIPATED THAT THIS WILL CHANGE TO NAME OF THE EQUIPMENT SCHEDULE.

- FINAL TESTS WILL INCLUDE THE RUNNING OF CLASSIFIED PROGRAMS. GSA REPRESENTATIVES WILL HAVE TO BE CLEARED OR EXCLUDED FROM THE TESTS. LIKEWISE, THEY WILL HAVE TO BE CLEARED FOR OR EXCLUDED FROM TECHNICAL NEGOTIATIONS. THESE TECHNICAL NEGOTIATIONS WILL INCLUDE THE SPECIAL ASSISTANCE OF ARU PROGRAMMING PERSONNEL TO HELP DEVISE AN EXECUTIVE ROUTINE, AN INPUT-OUTPUT ROUTINE, WORKER PROGRAMS, AND SO FORTH. ALL OF THESE ARE OUTSIDE OF THE PRESENT SCOPE OF THE GSA CONTRACT.

- I RE-EMPHASIZE THE FACT THAT YOUR SYSTEM IS CONSIDERED TO BE OF A MOST CRITICAL NATIONAL NATURE. THE PLAN TO IMPLEMENT PART OF THE SYSTEM BY THE END OF 1962 IS SIX MONTHS AHEAD OF THE ORIGINAL PLAN. IMPOSSIBLE TO LOAD ALL PROGRAMS BY THAT TIME OR EVEN BY 1963. CONVERSION WILL BE GRADUAL AS INFORMATION IS MADE AVAILABLE FROM SECURE SOURCES AND AS SPECIAL INPUT-OUTPUT EQUIPMENT IS DESIGNED TO MEET THE VERY SPECIAL REQUIREMENTS OF THE USER.

- PARTICULARLY EMPHASIZED THAT THIS IS NOT A PRODUCTION SYSTEM. VERSATILITY TO MEET CONSTANTLY AND ARBITRARILY CHANGING USER REQUIREMENTS IS MANDATORY. PROGRAMS MAY BE SCRAPPED OVERNIGHT IF NEW REQUIREMENT ARISES. CONTRACT MUST BE WRITTEN TO SUPPORT NOT ONLY THE INITIAL REQUIREMENTS OF THE SYSTEM BUT THE LONG RANGE PURPOSE.

- IN VIEW OF THE ABOVE, WHICH IS A PARTIAL AND VERY HURRIED COMMENTARY, STRONGLY SUGGEST THAT GSA CONTRACT NOW BE USED IF AT ALL POSSIBLE. IF IT HAS TO BE USED, SUGGEST AMENDING IT TO A COST-PLUS-FIXED-FEE BASIS.

- PLEASE ADVISE IF MORE INFORMATION IS REQUIRED OR IF ANY OF THE ABOVE MUST BE CLARIFIED.

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